

City of Corunna
Special Meeting of
Tuesday, July 30, 2002

Present: Jessen, Johnson, Mehigh, Runyan, Sanderson.

Absent: Corey, Wagner (arrived at 6:28 p.m.).

Guests: Joe Sawyer, City Manager; Janet Washburn, Parks and Recreation Director; Tim Crawford, Superintendent of Public Works; Helen Granger, The Independent; and other concerned citizens.

The meeting was called to order in the City Council Chambers by Mayor Pro-Tem Runyan at 6:00 p.m.

RESOLUTION APPROVING AGENDA AND ANY ADDITIONS/CHANGES OR NEW

BUSINESS: Mehigh moved, Johnson seconded to approve the agenda as presented.

Roll call vote:

Yes: Jessen, Runyan, Mehigh, Johnson, Sanderson.

No: None.

Motion CARRIED

CALL TO AUDIENCE: Judy Horton stated the ambulance barn looks beautiful. She advised council the antique truck show is scheduled for September 8, 2002.

MANAGER'S REPORT: Joe Sawyer stated if the governor's veto on statutory revenue sharing stands and the statutory revenue sharing appropriations are cut, this will impact the city on its current budget year in the amount of \$154,702, which is a 9 ½ percent revenue reduction. He further stated he is working on areas where the city would need to cut in order to balance the budget, which will be a painful experience, but he is not recommending any cuts at this time. The county stands to lose \$1,400,000 dollars since every bit of their revenue sharing is statutory, which is in addition to the \$700,000 they have already lost. He also stated Caledonia Township will lose about \$50,000. It is becoming very clear that the state does not want cities to exist. Mr. Sawyer advised he is recommending line item freezes for the next couple of months until he sees what does transact. The local street bids will be affected since \$60,000 was put in the local street fund from the general fund. He further advised he felt the budget cuts could be done without layoffs, but the city would lose all part-time employees.

AWARDING LOCAL & MAJOR STREET BIDS: Joe Sawyer reviewed the 2002 Street Improvements Program list and advised the bid information was sent out to a large bid list, but the city only received three bids for the asphalt work and one bid for the chip seal work. His recommendation would be to accept the bid from Valley Asphalt in the amount of \$227,413.06, and advised Valley Asphalt is ready to start. D & D Contracting has advised it may not be able to get to the chip seal work this year. Mr. Sawyer reviewed the letter from the Michigan Department of Transportation, which has denied

reclassifying Pine Street as a major street based on the condition of the street. The Michigan Department of Transportation has authorized the city to utilize major street funds to fix Pine Street, and once the street is fixed, the Michigan Department of Transportation has recommended that the city reapply next year to have the street reclassified. He advised after the asphalt bids came in, Valley Asphalt was asked to bid on the parking lot, which came in at \$8,800 for the whole parking lot. He further advised the city could never beat this price to pave the parking lot. Councilperson Mehigh asked if the city could get the paving done any cheaper. Mr. Sawyer advised no, it would cost the city more to do the work later. Mehigh moved, Jessen seconded to approve the following resolution:

RESOLUTION 07-30-02-01
RESOLUTION AMENDING THE 2002/2003 BUDGET

WHEREAS, The City Council of the City of Corunna desires to Amend the 2002/2003 budget to Alter the Original Appropriation and Adjust Departmental Expenditures within the Altered General Fund Appropriation;

NOW THEREFORE BE IT RESOLVED, that the budget for the City fiscal year beginning July 1, 2002 after recommendation by the City Manager be amended by the City Council as described as follows:

General Fund Expenditures:

<u>Dept. #</u>	<u>Dept. Name</u>	<u>FROM:</u>	<u>TO:</u>
101	City Council	\$37,106	\$57,106
265	Municipal Building	\$45,278	\$55,278
760	City Services	\$179,843	\$149,843

BE IT, the same is hereby adopted, and the amount therein provided as recommended; appropriations are hereby appropriated according to the departmental totals.

BE IT FURTHER RESOLVED, to amend the following fund budgets:

<u>Fund #</u>	<u>Fund Name</u>	<u>FROM:</u>	<u>TO:</u>
202	Major Street	\$215,452	\$290,452
203	Local Street	\$216,417	\$201,417

Roll call vote:

Yes: Runyan, Wagner, Jessen, Sanderson, Mehigh, Johnson.

No: None.

Motion CARRIED

Mehigh moved, Sanderson seconded to award the 2002/2003 asphalt bid to Valley Asphalt in the amount of \$227,413.06.

Roll call vote:

Yes: Sanderson, Mehigh, Johnson, Jessen, Wagner, Runyan.
No: None.

Motion CARRIED.

Jessen moved, Johnson seconded to award the 2002/2003 chip seal bid to D & D Contracting in the amount of \$24,716.79.

Roll call vote:

Yes: Mehigh, Jessen, Runyan, Johnson, Sanderson, Wagner.
No: None.

Motion CARRIED

Sanderson moved, Johnson seconded to add the parking lot to the Valley Asphalt bid in the amount of \$8,800.

Roll call vote:

Yes: Johnson, Sanderson, Wagner, Mehigh, Runyan, Jessen.
No: None.

Motion CARRIED

Johnson moved, Mehigh seconded to approve \$10,000 to purchase gravel for Dutcher Street.

Roll call vote:

Yes: Wagner, Johnson, Sanderson, Runyan, Jessen, Mehigh.
No: None.

Motion CARRIED

ADOPTION OF MERS BENEFIT B-2, FAC-5, 10 YEAR VESTING, F55/25 WITH MEMBER CONTRIBUTION RATE OF 0% FOR ALL NEW HIRES HIRED AFTER JULY 1,

2001: Mehigh moved, Jessen seconded to approve the adoption of the MERS Benefit B-2, FAC-5, 10 year vesting, F55/25 with member contribution rate of 0% plan for all new hires hired after July 1, 2001.

Roll call vote:

Yes: Jessen, Runyan, Mehigh, Wagner, Johnson, Sanderson.
No: None.

Motion CARRIED

CALL TO AUDIENCE: Judy Horton asked where the gravel would be placed on Dutcher Street. Mr. Crawford advised to the south end as far as \$10,000 will go. Ms. Horton asked if the gravel would be placed on Dutcher Street so chloride would not have to be placed on the street. Mr. Sawyer advised yes.

ROUNDTABLE DISCUSSION: Councilperson Jessen advised the benches look good.

Councilperson Sanderson stated the paving of Emma Drive would be nice.

Councilperson Johnson advised she attended the Team 21 meeting on Monday night and one of the Owosso Township trustees told her that he loved the Fourth of July Celebration and it was something the city should not lose.

Councilperson Jessen stated he thought Mr. Sawyer was the only one going to the Team 21 meeting last night and apologized for not attending the meeting.

ADJOURN: Johnson moved, Mehig seconded to adjourn.

Roll call vote:

Yes: Runyan, Wagner, Jessen, Sanderson, Mehig, Johnson.

No: None.

Motion CARRIED Time was 6:54 p.m.

LARRY RUNYAN, MAYOR PRO-TEM

YVONNE F. LONG, CITY CLERK